Second round of data requests to Dominion Energy South Carolina, Inc.

prepared by London Economics International LLC

August 26th, 2021



London Economics International LLC ("LEI") was selected by the Public Service Commission of South Carolina ("SC PSC") to serve as a qualified, independent third-party consultant in Docket No. 2021-88-E, Dominion Energy South Carolina, Inc. ("DESC")'s 2021 avoided cost proceeding.

This document contains the second set of data requests ("DRs"), LEI-2, to DESC.

1 Instructions

- 1. Responses to these requests should be provided to Stella Mueller via email (<u>stellam@londoneconomics.com</u>) within twenty (20) calendar days of the date of service. Responses should be provided as soon as practicable.
- 2. Responses to these requests should be labeled using the same numbers as used in Section 3 below.
- 3. If the requested information is found in other places or in other exhibits, reference shall not be made to those, but instead, the information should be reproduced and placed in the responses to these requests in the appropriate sequence.
- 4. All documents shall be provided in their native format (e.g., Word, Excel, PowerPoint), with all functions, data, and formulas intact.
- 5. These requests shall be deemed continuing so as to require DESC to supplement or amend its responses as any additional information becomes available, up to October 13th, 2021 i.e., the last day that LEI is scheduled to testify in the above referenced docket.
- Answer each request on the basis of the entire knowledge of DESC, including information in the possession of DESC or its consultants, representatives, agents, experts, operating divisions, business divisions, assigns, partners, and attorneys, if any.
- 7. If any request cannot be answered in full, please respond to the extent possible and specify the reasons for DESC's inability to respond.

2 Definitions

As used herein, the following terms shall have the meaning and be interpreted as set forth below:

1. "Application" is defined as the application filed by Dominion Energy South Carolina, Inc. on April 22nd, 2021, or as otherwise revised.

- "DESC" and "Company" are defined as Dominion Energy South Carolina, Inc., its parent(s), subsidiaries, affiliates, predecessors, successors, officers, directors, agents, employees, and other persons acting in its behalf.
- 3. "Workpapers" and "documents" are defined in the broadest terms and should not be construed as limited to the listed examples, or limited only to items that are currently within DESC's control or custody. Such documents include, but are not limited to, published materials, reports, correspondence, emails, records, memoranda, notices, notes, marginal notations, messages, teletype printouts, statements, books, studies, minutes, diagrams, drawings, maps, surveys, plans, charts, graphs, data, computer files, billings, evaluations, photographs, audio tapes, and videotapes.

Data requests

- **LEI-2.1** Exhibits 5 and 7, filed by DESC as attachments to the Company's Second Amended Application on June 25th, 2021, detail the following proposed changes to the Standard Offer contract and Form Power Purchase Agreement ("PPA"), among others:
 - removal of Cash Collateral as an option for qualifying facilities ("QFs") to provide Performance Assurance;
 - modifications to the insurance requirements detailed in Attachment D of the contract documents, including - increasing the Seller's General Liability Insurance from a minimum limit of \$1 million per occurrence to \$2 million, and from \$2 million aggregate to \$4 million; increasing the Employer's Liability requirement from \$1 million to \$2 million; adding the Comprehensive Automobile Liability insurance requirement with a total limit of at least \$2 million per occurrence; and
 - revising the Form of Surety Bond, which is included as Attachment F of the contract documents.

In what ways do the proposed changes listed above benefit customers?

LEI-2.2 Does DESC anticipate that development of the proposed Southeast Energy Exchange Market ("SEEM") would change the Company's variable integration charge ("VIC") costs?

> If so, over what timeframe would DESC expect this change to occur, and in what direction (i.e., increasing costs or decreasing costs)?

- LEI-2.3 Does DESC believe there are other ways to reduce the cost of integration that have yet to be explored such as, for example, increasing flexibility at combined cycle plants?
- LEI-2.4 Ed Burgess, testifying on behalf of the Carolinas Clean Energy Business Association ("CCEBA"), proposed revised assumptions with regards to Guidehouse's VIC analysis. As discussed in Mr. Burgess' direct testimony, filed on July 27th, 2021, these revised assumptions relate primarily to DESC's operating reserves.

How long would it take for Guidehouse to rerun the VIC analysis and produce results using the revised assumptions proposed by Mr. Burgess and/or other assumptions determined through an independent process?